The Special Meeting of the Washington Citizens' Commission on Salaries for Elected Officials was convened and brought to order by Ron Hopkins, Vice-Chair, at 9:10 a.m.

Ron Hopkins introduced Katherine Wade-Easley who is a new member to the Commission replacing Tom Nault, from District 1, who was not able to fulfill his term.

Commission Members Present:

- · Scott Baxter
- · Don Boggs
- Dale Carlisle
- · Jim Clark
- · Alan Doman
- · Kamaria Hightower
- · Ron Hopkins, Vice Chair

- · Willean Denton-Hornbeck
- · David Irwin
- · Linda Lopez
- · John McCallum
- Dirk Muyskens
- · Brian Sadden
- Katherine Wade-Easley

Commissioners Excused:

- · Debra Alvea
- · Dorothy Gerard

Staff Present:

- · Carol Sayer, Director
- · Teri Wright, Executive Assistant

Dale Carlisle motioned to approve the June 22, 2005, minutes and was seconded by Don Boggs. Ron Hopkins called for a vote and it was unanimously passed.

Ron Hopkins called for the election of officers. Chair: David Irwin nominated Ron Hopkins and it was seconded by Willean Denton-Hornbeck. Ron called for additional nominations. There were no further nominations. Alan Doman motioned to close the nominations and called for a vote – the vote was unanimously in favor electing Ron Hopkins as Chair. Vice-Chair: Willean Denton-Hornbeck nominated Alan Doman as Vice-Chair and it was seconded by David Irwin. Ron called for additional nominations. There were no further nominations and the nominations were closed. Ron Hopkins called for a vote – the vote was unanimously in favor electing Alan Doman as Vice-Chair.

There was a presentation of the Willis Point-Factor Evaluation of the Executive Branch Positions by Cary Randow, Compensation Manager at the Department of Personnel. The following is an outline of that presentation:

Trends in State Employee Pay Practices and Elected Official's Job Value Alignment

The Agenda:

- · Overview of recent and proposed pay and salary range changes
- · Regional trends in Executive Pay and Pay Practices
- Summary of Job Evaluation Methodology and review/recommendations process
- · Analysis and recommendations
- Your Questions

Recent and Proposed Pay and Salary Range Changes:

- Classified Employees
 - 3.2% and 1.6% GWA's (Gross Wage Adjustments) implemented in FY05 (FY = Fiscal Year) and FY06 respectively
 - 3.2% and 2.0% GWA's and salary structure negotiated for FY07 and FY08 respectively
 - Additional step of 2.5% added to structure for FY07
- Washington Management Service/Exempt Management Service Employees
 - 3.2% and 1.6% GWA's FY05 and FY06 respectively
 - Total wage package for FY07 and FY08 under review by the Governor
 - Salary structure changes averaged 4.5% in FY05 and 5.7% in FY06
- Appointed Officials
 - · Received 3.2% and 1.6% GWA's in FY05 and FY06
 - Governor approved equity alignment adjustments for some positions averaging 5% in both FY05 and FY06
 - Salary plateau (maximum) adjustments of 3.2% in FY05 and 6.4% in FY06

Trends in Executive Pay Regional Basis:

- Base salary adjustments have averaged 4.8% over the last three years
- · Out-of-base earnings have averaged an additional 14.9% over the same period
- Adjustments to salary range maximums have averaged 8.5% per year since 2003
- "Replacement" costs have risen 28% since 2004
- "Leadership Gap" contributing to steadily increasing number of failed recruitments among Northwest-region and nation-wide employers. We are on the upside of this trend (Sources: Milliman Inc. and Economic Research Institute)

Job Evaluation Methodology:

- · We use the "Willis" Point-Factor Method in the evaluation of management positions
- This method measures and values the Knowledge and Skills, Mental Demands and Accountability required of each <u>position</u>
- Evaluation produces a profile and total points which are used to arrive at a grade/plateau level
- Once approved, the profile/total points become the baseline for future review and analysis

Review and Recommendation Process:

- · Review updated job descriptions with follow-up with HR Directors
- Spoke with selected Appointed Officials whose position/agency maintains close working relationships with Elected Officials
- Reviewed Owen-Pottier study of Legislator and Judiciary Salaries and followed up with Fred Owen on specific evaluations
- Reviewed the March 2003 job evaluation study conducted by the DOP on Elected Officials
- · Conducted evaluations and performed "Sore-thumbing" review

Review, Analysis and Recommendations:

- Six of nine elected officials are evaluated and recommended for a higher point value and plateau level
- · Evaluation changes reflect higher Mental Demands and Accountability
- · Recommended plateau levels better reflect comparability with Appointed Officials
- On average Elected Officials' salaries lag those of Appointed Officials by 28.2%
- State taking a more focused approach to executive pay administration and internal alignment
- Collective bargaining and regional city/county/port pay practices are creating "scaled" salary compression between management and those they supervise
- · Salary competitiveness requires a longer term "catch-up" strategy

Elected Officials' Evaluations:

Proposed Evaluation Points and Profiles of Elected Officials

Elected Official	Know How	Mental Demands	Accountability	Shape	Total Points	SCOAS Plateau Equivalency
Governor	H7Y-2560	H50-1952	H6D-2560	+3	7072	NA
Lieutenant Governor	G3Y-736 G47-848	F4L-368 G4N-560	F5S-424 G5S-640	+1	1528 2048	C B
Attorney General	G5Y-1280	G50-976	G6D-1120	+2	3376	. А
Superintendent Of Public Instruction	G5Y-976	G50-736	G6D-976	+2	2688	A-
State Treasurer	G4Y-848	F4M-488 G50-640	F6S-640 G6S-736	+2 +1	1976 2224	B+
Insurance Commissioner	G4Y-848	G4N-560 G5O-640	G6S-736 G6S-848	. +2	2144 2336	B B+
State Auditor	G4Y-848	F5M-488 G5O-640	F6S-560 F6S-736	+1	1896 2224	B B+
Secretary of State	G4Y-848	F4M-488 G4N-560	F6S-640 F6S-736	+2	1976 2224	B B+
Commissioner of Public Lands	G5Y-976	G4N-640 G5O-736	G6S-848 G6S-976	+2	2464 2688	B+ A-

Notes: Data is shown for the 2003 and 2006 evaluations. The data in red is the 2006 evaluation. Legislative and Judicial positions were not included in this evaluation.

Your Questions

During the presentation there were several questions relating to how one state compensation plan affects another state compensation plan. It is important to note that Cary Randow stated that one state compensation plan directly affects another state compensation plan. e.g., classified employees have a labor union that negotiates for their pay raises. The pay raise the classified employees get will then be requested for the Washington Management Service employees and so on.

Cary Randow's presentation was completed and the Commission adjourned for lunch at 11:55 a.m.

The Special Meeting was called back to order by Ron Hopkins at 1:00 p.m.

The following 2007 Commission Meeting Schedule was presented for consideration:

Date	Date Time Location		Meeting Testimony by the Elected Officials Public Hearing Work Session Adopt the Proposed 2007-08 Salary Schedule		
		Phoenix Inn Olympia			
February 22	6 pm – 9 pm	Holiday Inn	Public Hearing		
(Thursday)		Everett	Work Session		
March 22	6 pm – 9 pm	Red Lion Inn	Public Hearing		
(Thursday)		Port Angeles	Work Session		
April 19	6 pm – 9 pm	Red Lion River Inn	Public Hearing		
(Thursday)		Spokane	Work Session		
May 15 (Tuesday)	9 am – 4 pm	Radisson Gateway Hotel Sea-Tac	Public Hearing Work Session Adopt the 2007-08 Salary Schedule		

Carol Sayer gave rational for why the prospective locations were selected.

There was a motion made by David Irwin to adopt the 2007 Meeting Schedule proposal and the motion was seconded by Dirk Muyskens. Ron Hopkins called for a vote – the vote was unanimously in favor of adopting the proposed schedule.

Carol Sayer gave a tab-by-tab review of the Commissioners' 2007 Salary Setting Binder. Carol asked at the end of her review that if Commissioners see a newspaper article about elected officials' salaries that they send it to Commission staff who will then forward it on to the rest of the Commissioners.

There was a motion made by Willean Denton-Hornbeck to adopt the 2007-09 Strategic Plan, the motion was seconded by John McCallum. Carol Sayer stated that this document is a required part of the budget process, but is also an excellent educational tool. The Strategic Plan is available on our website at www.salaries.wa.gov and at the Washington State Office of Financial Management's website, along with all other state agencies strategic plans, at www.ofm.wa.gov. Ron Hopkins called for a vote – the vote was unanimously in favor of adopting the 2007-09 Strategic Plan.

It was noted that there was a handout for Commissioners to review regarding the Public Meeting Procedures. The Commission's Procedure was written by our Attorney General in 2001 and was adopted by the Commission at that time. The Commission has been operating under this Procedure since that time. A question was posed regarding holding a private executive session. Carol Sayer clarified the guidelines as being a very narrow to call an executive session and could see very little reason for the Commission to do so. Some examples for an executive session would be to discuss pending litigation, payroll issues, and hiring or firing of the director. Even then, any action must be taken in a public meeting.

Carol Sayer specified that at the Orientation Meeting it was requested that staff set up a special meeting to tour the Elected Officials' Offices. Carol received an opinion from our Assistant Attorney General regarding having this kind of meeting and how it would be difficult to comply with the Public Meeting Act.

Alan Doman motioned that the Commission should cancel the request to have a tour of the Elected Officials' Offices in light of the informal opinion from our Assistant Attorney General. The motion was seconded by John McCallum. Ron Hopkins called to dismiss this action. It was suggested that staff prepare a list of addresses and a map showing the locations of the elected officials' offices in the Olympia area. Individual Commissioners can then tour the offices as private citizens. During any such visits, there should be no Commission business discussions.

Carol Sayer asked each Commissioner to review the contact list and make staff aware of any changes. She also brought attention to the Travel Reimbursement form for Commissioners to fill out and return to the office.

Carol Sayer mentioned that as a result of the Orientation Meeting, staff has prepared a quick and easy statement of responsibility for the Commission that will be available at each meeting. Carol

is also working on a media packet for Commissioners to reference if they are contacted by the media.

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The meeting was adjourned by Ron Hopkins at approximately 2:30 p.m.